

STATE OF CALIFORNIA

DEPARTMENT OF MANAGED HEALTH CARE

HEALTH CARE SERVICE PLAN

QUARTERLY FINANCIAL REPORTING FORM

		1
1.	FOR THE QUARTER ENDING:	March 31, 2002
2.	Name:	ConsumerHealth, Inc. dba Newport Dental
3.	File Number:(Enter last three digits) 933-0	215
4.	Date Incorporated or Organized:	December 4, 1979
5.	Date Licensed as a HCSP:	June 18, 1985
6.	Date Federally Qualified as a HCSP:	N/A
7.	Date Commenced Operation:	December 1979
8.	Mailing Address:	201 E. Sandpointe, Suite 200, Santa Ana, CA 92707
9.	Address of Main Administrative Office:	Same
10.	Telephone Number:	714-668-1300
11.	HCSP's ID Number:	95-3539992
12.	Principal Location of Books and Records:	201 E. Sandpointe, Suite 200, Santa Ana, CA 92707
13.	Plan Contact Person and Phone Number:	Dr. Dennis R. Fratt (714) 668-1300 Ext. 250
14.	Financial Reporting Contact Person and Phone Number:	Brad Schmidt (714) 668-1300 Ext. 254
15.	President:*	Steven C. Bilt
16.	Secretary:*	Dr. Dennis R. Fratt
17.	Chief Financial Officer:*	Bradley E. Schmidt
18.	Other Officers:*	Charles E. Stirewalt, D.D.S. VP
19.		
20.		
21.		
22.	Directors:*	Steven C. Bilt
23.		Dr. Dennis R. Fratt
24.		Eric Boden
25.		
26.		
27.		
28.		
29.		
30.		
31.		

The officers listed on lines 15 through 17 of the health care service plan noted on line 2, being duly sworn, each for himself or herself, deposes and says that they are the officers of the said health care service plan, and that, for the reporting period stated above, all of the herein assets were the absolute property of the said health care service plan, free and clear from any liens or claims thereon, except as herein stated, and that these financial statements, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said health care service plan as of the reporting period stated above, and of its income and deductions therefrom for the period reported, according to the best of their information, knowledge and belief, respectively.

32. President	Steven C. Bilt
33. Secretary	Dr. Dennis R. Fratt
34. Chief Financial Officer	Bradley E. Schmidt

* Show full name (initials not accepted) and indicate by sign (#) those officers and directors who did not occupy the indicated position in the previous statement.

35. Check if this is a revised filing:

☐

36. If all dollar amounts are reported in thousands (000), check here

☐

Check My Work.

STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE
HEALTH CARE SERVICE PLAN

QUARTERLY FINANCIAL REPORTING FORM
SUPPLEMENTAL INFORMATION

		1
1.	Are footnote disclosures attached with this filing?	Yes <input type="button" value="v"/>
2.	Is the attached reporting form filed on a consolidated or combined basis? If "Yes", the plan is required to file consolidating or combining schedules.	No <input type="button" value="v"/>
3.	Is the plan required to file additional information (i.e. parent/affiliate financial statements, claims reports, etc.) that is required by the Department?	Yes <input type="button" value="v"/>
4.	Have the Restricted Assets changed from the previous quarterly filing? If "yes", complete Schedule A-2 (Restricted Assets).	No <input type="button" value="v"/>
5.	Are there any significant changes reported on Schedule G, Section III?	No <input type="button" value="v"/>
6.	If "yes", describe:	

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

REPORT #1 ---- PART A: ASSETS

1	2
CURRENT ASSETS:	Current Period
1. Cash and Cash Equivalents	655,936
2. Short-Term Investments	0
3. Premiums Receivable - Net	0
4. Interest Receivable	0
5. Shared Risk Receivables - Net	0
6. Other Health Care Receivables - Net	5,524,712
7. Prepaid Expenses	121,956
8. Secured Affiliate Receivables - Current	0
9. Unsecured Affiliate Receivables - Current	0
10. Aggregate Write-Ins for Current Assets	353,632
11. TOTAL CURRENT ASSETS (Items 1 to 10)	6,656,236
OTHER ASSETS:	
12. Restricted Assets	50,000
13. Long-Term Investments	0
14. Intangible Assets and Goodwill - Net	5,448,306
15. Secured Affiliate Receivables - Long-Term	0
16. Unsecured Affiliate Receivables - Past Due	0
17. Aggregate Write-Ins for Other Assets	138,753
18. TOTAL OTHER ASSETS (Items 12 to 17)	5,637,059
PROPERTY AND EQUIPMENT	
19. Land, Building and Improvements	0
20. Furniture and Equipment - Net	314,837
21. Computer Equipment - Net	86,694
22. Leasehold Improvements -Net	365,019
23. Construction in Progress	33,048
24. Software Development Costs	0
25. Aggregate Write-Ins for Other Equipment	0
26. TOTAL PROPERTY AND EQUIPMENT (Items 19 to 25)	799,598
27. TOTAL ASSETS	13,092,893
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR CURRENT ASSETS	
1001. Supplies	337,450
1002. Deferred Income Tax Asset	14,108
1003. Other Current Assets	2,074
1004.	0
1098. Summary of remaining write-ins for Item 10 from overflow page	0
1099. TOTALS (Items 1001 thru 1004 plus 1098)	353,632
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER ASSETS	
1701. Refundable Deposits	78,546
1702. Other Long Term Assets	60,207
1703.	
1704.	
1798. Summary of remaining write-ins for Item 17 from overflow page	
1799. TOTALS (Items 1701 thru 1704 plus 1798)	138,753
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER EQUIPMENT	
2501.	
2502.	
2503.	
2504.	
2598. Summary of remaining write-ins for Item 25 from overflow page	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	0

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

REPORT #1 ---- PART B: LIABILITIES AND NET WORTH

1	2	3	4
CURRENT LIABILITIES:	Current Period		
	Contracting	Non-Contracting	Total
1. Trade Accounts Payable	25,724	XXX	25,724
2. Capitation Payable	0	XXX	0
3. Claims Payable (Reported)	0		0
4. Incurred But Not Reported Claims	0		0
5. POS Claims Payable (Reported)	0		0
6. POS Incurred But Not Reported Claims	0		0
7. Other Medical Liability	0		0
8. Unearned Premiums	103,007	XXX	103,007
9. Loans and Notes Payable	0	XXX	0
10. Amounts Due To Affiliates - Current	695,033	XXX	695,033
11. Aggregate Write-Ins for Current Liabilities	933,032	0	933,032
12. TOTAL CURRENT LIABILITIES (Items 1 to 11)	1,756,796	0	1,756,796
OTHER LIABILITIES:			
13. Loans and Notes Payable (Not Subordinated)	0	XXX	0
14. Loans and Notes Payable (Subordinated)	0	XXX	0
15. Accrued Subordinated Interest Payable	0	XXX	0
16. Amounts Due To Affiliates - Long Term	0	XXX	0
17. Aggregate Write-Ins for Other Liabilities	62,876	XXX	62,876
18. TOTAL OTHER LIABILITIES (Items 13 to 17)	62,876	XXX	62,876
19. TOTAL LIABILITIES	1,819,672	0	1,819,672
NET WORTH			
20. Common Stock	XXX	XXX	2,000
21. Preferred Stock	XXX	XXX	0
22. Paid In Surplus	XXX	XXX	0
23. Contributed Capital	XXX	XXX	9,292,482
24. Retained Earnings (Deficit)/Fund Balance	XXX	XXX	3,128,739
25. Aggregate Write-Ins for Other Net Worth Items	XXX	XXX	-1,150,000
26. TOTAL NET WORTH (Items 20 to 25)	XXX	XXX	11,273,221
27. TOTAL LIABILITIES AND NET WORTH	XXX	XXX	13,092,893
DETAILS OF WRITE-INS AGGREGATED AT ITEM 11 FOR CURRENT LIABILITIES			
1101. Other Accrued Liabilities	325,932		325,932
1102. Accrued Payroll & Payroll Taxes	438,252		438,252
1103. Accrued Income Taxes Due to Parent	168,848		168,848
1104.			0
1198. Summary of remaining write-ins for Item 11 from overflow page			0
1199. TOTALS (Items 1101 thru 1104 plus 1198)	933,032	0	933,032
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER LIABILITIES			
1701. Other Long-Term Liabilities	62,876	XXX	62,876
1702.		XXX	0
1703.		XXX	0
1704.		XXX	0
1798. Summary of remaining write-ins for Item 17 from overflow page		XXX	0
1799. TOTALS (Items 1701 thru 1704 plus 1798)	62,876	XXX	62,876
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER NET WORTH ITEMS			
2501. Dividends to Stockholders	XXX	XXX	-1,150,000
2502.	XXX	XXX	
2503.	XXX	XXX	
2504.	XXX	XXX	
2598. Summary of remaining write-ins for Item 25 from overflow page	XXX	XXX	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	XXX	XXX	-1,150,000

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

REPORT #2: REVENUE, EXPENSES AND NET WORTH

	1	2
	Current Period	Year-To-Date
REVENUES:		
1. Premiums (Commercial)	530,759	530,759
2. Capitation	0	0
3. Co-payments, COB, Subrogation	3,650,428	3,650,428
4. Title XVIII - Medicare	0	0
5. Title XIX - Medicaid	940,792	940,792
6. Fee-For-Service	192,128	192,128
7. Point-Of-Service (POS)	0	0
8. Interest	132	132
9. Risk Pool Revenue	0	0
10. Aggregate Write-Ins for Other Revenues	35,163	35,163
11. TOTAL REVENUE (Items 1 to 10)	5,349,402	5,349,402
EXPENSES:		
Medical and Hospital		
12. Inpatient Services - Capitated	0	0
13. Inpatient Services - Per Diem	0	0
14. Inpatient Services - Fee-For-Service/Case Rate	0	0
15. Primary Professional Services - Capitated	2,494,899	2,494,899
16. Primary Professional Services - Non-Capitated	0	0
17. Other Medical Professional Services - Capitated	12,258	12,258
18. Other Medical Professional Services - Non-Capitated	0	0
19. Non-Contracted Emergency Room and Out-of-Area Expense, not including POS	0	0
20. POS Out-Of-Network Expense	0	0
21. Pharmacy Expense - Capitated	0	0
22. Pharmacy Expense - Fee-for-Service	0	0
23. Aggregate Write-Ins for Other Medical and Hospital Expenses	1,541,132	1,541,132
24. TOTAL MEDICAL AND HOSPITAL (Items 12 to 23)	4,048,289	4,048,289
Administration		
25. Compensation	464,872	464,872
26. Interest Expense	46	46
27. Occupancy, Depreciation and Amortization	798	798
28. Management Fees	0	0
29. Marketing	0	0
30. Affiliate Administration Services	290,400	290,400
31. Aggregate Write-Ins for Other Administration	27,154	27,154
32. TOTAL ADMINISTRATION (Items 25 to 31)	783,270	783,270
33. TOTAL EXPENSES	4,831,559	4,831,559
34. INCOME (LOSS)	517,843	517,843
35. Extraordinary Item	0	0
36. Provision for Taxes	209,174	209,174
37. NET INCOME (LOSS)	308,669	308,669
NET WORTH:		
38. Net Worth Beginning of Period	10,964,552	10,964,552
39. Audit Adjustments	0	0
40. Increase (Decrease) in Common Stock	0	0
41. Increase (Decrease) in Preferred Stock	0	0
42. Increase (Decrease) in Paid in Surplus	0	0
43. Increase (Decrease) in Contributed Capital	0	0
44. Increase (Decrease) in Retained Earnings:	0	0
45. Net Income (Loss)	308,669	308,669
46. Dividends to Stockholders	0	0
47. Aggregate Write-Ins for Changes in Retained Earnings	0	0
48. Aggregate Write-Ins for Changes in Other Net Worth Items	0	0
49. NET WORTH END OF PERIOD (Items 38 to 48)	11,273,221	11,273,221

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

REPORT #2: REVENUE, EXPENSES AND NET WORTH

1	2	3
	Current Period	Year-to-Date
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR OTHER REVENUES		
1001. Misc. Income	35,163	35,163
1002.		
1003.		
1004.		
1005.		
1006.		
1098. Summary of remaining write-ins for Item 10 from overflow page		
1099. TOTALS (Items 1001 thru 1006 plus 1098)	35,163	35,163
DETAILS OF WRITE-INS AGGREGATED AT ITEM 23 FOR OTHER MEDICAL AND HOSPITAL EXPENSES		
2301. Occupancy, Depreciation and Amortization	466,900	466,900
2302. Lab Fees	298,219	298,219
2303. Supplies	237,059	237,059
2304. Provision for Uncollectible Accounts	276,131	276,131
2305. Other Medical	262,823	262,823
2306.		
2398. Summary of remaining write-ins for Item 23 from overflow page		
2399. TOTALS (Items 2301 thru 2306 plus 2398)	1,541,132	1,541,132
DETAILS OF WRITE-INS AGGREGATED AT ITEM 31 FOR OTHER ADMINISTRATIVE EXPENSES		
3101. Other Professional Fees	6,362	6,362
3102. Courier & Postage	3,386	3,386
3103. Printing - Forms/Letterhead	5,930	5,930
3104. DMHC Expense	8,226	8,226
3105. Misc. Expense	3,250	3,250
3106.		
3198. Summary of remaining write-ins for Item 31 from overflow page		
3199. TOTALS (Items 3101 thru 3106 plus 3198)	27,154	27,154
DETAILS OF WRITE-INS AGGREGATED AT ITEM 47 FOR CHANGES IN RETAINED EARNINGS		
4701.		
4702.		
4703.		
4704.		
4705.		
4706.		
4798. Summary of remaining write-ins for Item 47 from overflow page		
4799. TOTALS (Items 4701 thru 4706 plus 4798)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 48 FOR CHANGES OF OTHER NET WORTH ITEMS		
4801.		
4802.		
4803.		
4804.		
4805.		
4806.		
4898. Summary of remaining write-ins for Item 48 from overflow page		
4899. TOTALS (Items 4801 thru 4806 plus 4898)	0	0

REPORT #3: STATEMENT OF CASH FLOWS (Direct Method)

1	2	3
	Current Period	Year-to-Date
CASH FLOW PROVIDED BY OPERATING ACTIVITIES		
1. Group/Individual Premiums/Capitation	496,984	496,984
2. Fee-For-Service	806,984	806,984
3. Title XVIII - Medicare Premiums	0	0
4. Title XIX - Medicaid Premiums	77,316	77,316
5. Investment and Other Revenues	33,187	33,187
6. Co-Payments, COB and Subrogation	3,613,145	3,613,145
7. Medical and Hospital Expenses	-3,605,292	-3,605,292
8. Administration Expenses	-766,258	-766,258
9. Federal Income Taxes Paid	-160,767	-160,767
10. Interest Paid	-47	-47
11. NET CASH PROVIDED BY OPERATING ACTIVITIES	495,252	495,252
CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
12. Proceeds from Restricted Cash and Other Assets	0	0
13. Proceeds from Investments	0	0
14. Proceeds for Sales of Property, Plant and Equipment	0	0
15. Payments for Restricted Cash and Other Assets	0	0
16. Payments for Investments	0	0
17. Payments for Property, Plant and Equipment	-115,185	-115,185
18. NET CASH PROVIDED BY INVESTING ACTIVITIES	-115,185	-115,185
CASH FLOW PROVIDED BY FINANCING ACTIVITIES:		
19. Proceeds from Paid in Capital or Issuance of Stock	0	0
20. Loan Proceeds from Non-Affiliates	0	0
21. Loan Proceeds from Affiliates	0	0
22. Principal Payments on Loans from Non-Affiliates	-2,733	-2,733
23. Principal Payments on Loans from Affiliates	0	0
24. Dividends Paid	0	0
25. Aggregate Write-Ins for Cash Provided by Financing Activities	0	0
26. NET CASH PROVIDED BY FINANCING ACTIVITIES	-2,733	-2,733
27. NET INCREASE (DECREASE) IN CASH (Items 11, 18 & 26)	377,334	377,334
28. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	278,602	278,602
29. CASH AND CASH EQUIVALENTS AT END OF PERIOD	655,936	655,936
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
30. Net Income	308,669	308,669
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
31. Depreciation and Amortization	77,648	77,648
32. Decrease (Increase) in Receivables	-319,374	-319,374
33. Decrease (Increase) in Prepaid Expenses	-2,262	-2,262
34. Decrease (Increase) in Affiliate Receivables	0	0
35. Increase (Decrease) in Accounts Payable	3,170	3,170
36. Increase (Decrease) in Claims Payable and Shared Risk Pool	0	0
37. Increase (Decrease) in Unearned Premium	-2,412	-2,412
38. Aggregate Write-Ins for Adjustments to Net Income	429,813	429,813
39. TOTAL ADJUSTMENTS (Items 31 through 38)	186,583	186,583
40. NET CASH PROVIDED BY OPERATING ACTIVITIES (Item 30 adjusted by Item 39 must agree to Item 11)	495,252	495,252
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Item 25 from overflow page		
2599. TOTALS (Items 2501 thru 2503 plus 2598)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 38 FOR ADJUSTMENTS TO NET INCOME		
3801. Provision for Losses on Receivables	276,131	276,131
3802. Increase (Decrease) in Compensation Related Liabilities	96,616	96,616
3803. Increase (Decrease) in Other Assets and Accrued & Other Liabilities	57,066	57,066
3898. Summary of remaining write-ins for Item 38 from overflow page		
3899. TOTALS (Items 3801 thru 3803 plus 3898)	429,813	429,813

REPORT #3: STATEMENT OF CASH FLOWS (Indirect Method)

	1	2
	Current Period	Year-to-Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
1. Net Income (Loss)	308,669	308,669
ADJUSTMENTS TO RECONCILE NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
2. Depreciation and Amortization	77,648	77,648
3. Unrealized Gains/Losses on Equity Securities	0	0
4. Gain/Loss on Sale of Assets	0	0
5. Deferred Income Taxes	40,326	40,326
CHANGE IN OPERATING ASSETS AND LIABILITIES		
(Increase) Decrease in Operating Assets:		
6. Receivables	-319,374	-319,374
7. Prepaid Expenses	-2,262	-2,262
8. Affiliate Receivables	0	0
9. Aggregate write-ins for (increase) decrease in operating assets	276,548	276,548
Increase (Decrease) in Operating Liabilities:		
10. Trade Accounts Payable	3,170	3,170
11. Capitation Payable	0	0
12. Claims Payable and IBNR	0	0
13. Other Medical Liability	0	0
14. Unearned Premiums	-2,412	-2,412
15. Affiliate Payables	0	0
16. Aggregate write-ins for increase (decrease) in operating liabilities	112,939	112,939
17. NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES	495,252	495,252
CASH FLOW FROM INVESTING ACTIVITIES		
18. Proceeds from Restricted Cash and Other Assets	0	0
19. Proceeds from Investments	0	0
20. Proceeds for Sales of Property, Plant, and Equipment	0	0
21. Payments for Restricted Cash and Other Assets	0	0
22. Payments for Investments	0	0
23. Payments for Property, Plant, and Equipment	-115,185	-115,185
24. Aggregate write-ins for cash flow provided by investing activities	0	0
25. NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES	-115,185	-115,185
CASH FLOW FROM FINANCING ACTIVITIES		
26. Proceeds from Paid-in-Capital or Issuance of Stock	0	0
27. Loan Proceeds from Non-Affiliates	0	0
28. Loan Proceeds from Affiliates	0	0
29. Principal Payments on Loans from Non-Affiliates	-2,733	-2,733
30. Principal Payments on Loans from Affiliates	0	0
31. Dividends Paid	0	0
32. Principal Payments under lease obligations	0	0
33. Aggregate write-ins for cash flow provided by financing activities	0	0
34. NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES	-2,733	-2,733
35. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	377,334	377,334
36. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	278,602	278,602
37. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	655,936	655,936

REPORT #3: STATEMENT OF CASH FLOWS (Indirect Method)

1	2	3
	Current Period	Year-to-Date
DETAILS OF WRITE-INS AGGREGATED AT ITEM 9 FOR (INCREASE) DECREASE IN OPERATING ASSETS		
901. Provision for Losses on Receivables	276,131	276,131
902. Inventory	1,533	1,533
903. Other Assets	-1,116	-1,116
998. Summary of remaining write-ins for Item 9 from overflow page		
999. TOTALS (Items 901 thru 903 plus 998)	276,548	276,548
DETAILS OF WRITE-INS AGGREGATED AT ITEM 16 FOR INCREASE (DECREASE) IN OPERATING LIABILITIES		
1601. Increase (Decrease) in Compensation Related Liabilities	96,616	96,616
1602. Other Liabilities	16,323	16,323
1603.		
1698. Summary of remaining write-ins for Item 16 from overflow page		
1699. TOTALS (Items 1601 thru 1603 plus 1698)	112,939	112,939
DETAILS OF WRITE-INS AGGREGATED AT ITEM 24 FOR CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Item 24 from overflow page		
2499. TOTALS (Items 2401 thru 2403 plus 2498)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 33 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
3301.		
3302.		
3303.		
3398. Summary of remaining write-ins for Item 33 from overflow page		
3399. TOTALS (Items 3301 thru 3303 plus 3398)	0	0

SCHEDULE A-1 (CASH)

1	2	3
Name of Depository (List all accounts even if closed during the period)	Account Number	Balance*
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9. Total Cash on Deposit		0
10. Cash on Hand (Petty Cash)		
11. Total Cash on Hand and on Deposit (Report #1, Part A, Line 1)		0

SCHEDULE A-2 RESTRICTED ASSETS

1	2	3
Name of Depository (List all accounts even if closed during period)	Account Number	Balance*
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19. Total Restricted Assets		0

* Indicate the Balance Per the HMO's Records

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

SCHEDULE C - PREMIUMS RECEIVABLE (Other than Affiliates)

Individually list all debtors (commercial only) with account balances greater than 5% of gross Premiums Receivable

	1 Name of Debtor	2 31-60 Days	3 61-90 Days	4 Over 90 Days	5 Total
1.	NONE				0
2.					0
3.					0
4.					0
5.					0
6.					0
7.					0
8.					0
9.					0
10.					0
11.					0
12.					0
13.					0
14.					0
15.					0
16.					0
17.					0
18.					0
19.					0
20.					0
21.					0
22.					0
23.					0
24.					0
25.					0
26.					0
27.					0
28.					0
29.					0
30.					0
31.					0
32.					0
33.					0
34.					0
35.					0
36.					0
37.					0
38.					0
39.					0
40.					0
41.					0
42.					0
43.					0
44.					0
45.					0
46.					0
47.					0
48.					0
49.					0
50.					0
51.					0
52.					0
53.					0
54.					0
55.	Total - Individual Listed Receivables	0	0	0	0

SCHEDULE D
HEALTH CARE RECEIVABLES &
AMOUNTS DUE FROM PARENT, SUBSIDIARIES, AND AFFILIATES

Individually list all debtors with account balances greater than 10% of gross Receivables

	1 Name of Debtor	2 31-60 Days	3 61-90 Days	4 Over 90 Days	5 Total
1.	NONE				0
2.					0
3.					0
4.					0
5.					0
6.					0
7.					0
8.					0
9.					0
10.					0
11.					0
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40.					0
41.					0
42.					0
43.					0
44.					0
45.					0
46.					0
47.					0
48.					0
49.					0
50.					0
51.					0
52.					0
53.					0
54.					0
55.	Total - Individual Listed Receivables	0	0	0	0

SCHEDULE F - ACCOUNTS PAYABLE

Individually list all creditors with account balances greater than 5% of total trade accounts payable. Group the total of all other payables and enter on the line titled, "Aggregate Accounts Not Individually Listed-Due." Report accounts payable from the initial date of billing or due date under contract.

	1 Name of Debtor	2 31-60 Days	3 61-90 Days	4 91-120 Days	5 Over 120 Days	6 Total
1.						0
2.						0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0
24.	Total - Individual Listed Payables	0	0	0	0	0

SCHEDULE G - UNPAID CLAIMS ANALYSIS
SECTION I - CLAIMS UNPAID

	1	2	3
Type of Claim	Reported Claims in Process of Adjustment	Estimated Incurred but Unreported	Total - Unpaid Claims (Columns 4+5 of Section II)
1. Inpatient Claims	N/A	N/A	#VALUE!
2. Physician Claims	N/A	N/A	#VALUE!
3. Referral Claims	N/A	N/A	#VALUE!
4. Other Medical	N/A	N/A	#VALUE!
5. TOTAL	0	0	#VALUE!

SECTION II - ANALYSIS OF CLAIMS UNPAID - PREVIOUS YEAR (FILE ANNUAL ONLY)

1 Type of Claim	Claims Paid During the Fiscal Year		Unpaid Claims During the Fiscal Year			7 Estimated Liability of Unpaid Claims Prior to the first day of the Prior Year
	2 On Claims Incurred Prior to the first day of the Current Fiscal Year	3 On Claims Incurred During the Fiscal Year	4 On Claims Unpaid Prior to the first day of the Previous Fiscal Year	5 On Claims Incurred During the Year	6 Total Claims (Paid and Unpaid) for the Previous Fiscal Year (2+4)	
6. Inpatient Claims	N/A	N/A	N/A	N/A	0	N/A
7. Physician Claims	N/A	N/A	N/A	N/A	0	N/A
8. Referral Claims	N/A	N/A	N/A	N/A	0	N/A
9. Other Medical	N/A	N/A	N/A	N/A	0	N/A
10. TOTAL	0	0	0	0	0	0

SECTION III - INVENTORY OF CLAIMS TO BE PROCESSED*

1 Month Ending	2	3	4	5	6	7
	Beginning Balance Number of Claims in inventory on the 1st of each month	Add - Claims Received during the month	Deduct - Claims paid during the month	Deduct - Claims denied during the month	Add/Deduct - Adjustments	Ending Balance Number of claims in inventory at the end of the month
11.						
12.	N/A	N/A	N/A	N/A	N/A	0
13.						0
14.						0
15.						0
16.						0
17.						0
18.						0
19.						0
20.						0
21.						0
22.						0
23.						0

* Describe any significant changes reported on Schedule G, Section III in the Supplemental Schedule (Page 2).

SCHEDULE H - AGING OF ALL CLAIMS

Age all claims on hand at the end of each month. Use the date of receipt to determine the number of days the claims is outstanding. The amount reported in Column 6 should equal the amount Reported on Schedule G, Section III, Column 7.

	1	2	3	4	5	6
	Month Ending	1-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total
1.						
2.	N/A	N/A	N/A	N/A	N/A	0
3.						0
4.						0
5.						0
6.						0
7.						0
8.						0
9.						0
10.						0
11.						0
12.						0
13.						0

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

SCHEDULE I - ANALYSIS OF TOTAL MEDICAL LIABILITY TO ACTUAL CLAIMS PAID

Using the Plan's Lag Tables, complete the following table. Provide claim information the current quarter and the previous seven quarters. An actuarial certification may be submitted in lieu of this schedule.

Reported Accrual				
1	2	3	4	5
Quarter Ending Date	Total Medical Liability*	Amount Paid-To-Date	Difference - Column (2-3)	Liability (Based on plan's lag table)
1. N/A	N/A	XXX	N/A	N/A
2. N/A	N/A	N/A	#VALUE!	N/A
3. N/A	N/A	N/A	#VALUE!	N/A
4. N/A	N/A	N/A	#VALUE!	N/A
5. N/A	N/A	N/A	#VALUE!	N/A
6. N/A	N/A	N/A	#VALUE!	N/A
7. N/A	N/A	N/A	#VALUE!	N/A
8. N/A	N/A	N/A	#VALUE!	N/A

* Should tie to Report #1, Part B, Columns 1 & 2, Lines 3 through 6.

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NOTES TO FINANCIAL STATEMENTS	
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STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

KNOX-KEENE
SUPPLEMENTAL INFORMATION

PURSUANT TO SECTIONS 1300.84.06, 1300.84.2 AND 1374.68

	1	2	3	4	5
A.	Explanation of the method of calculating the provision for incurred and unreported claims:				
1.	Based on historical patterns, quarterly exposure is less than \$10,000. Exposure is immaterial because the provider facilities owned or administratively operated by company represent nearly all claim costs.				
B.	Accounts and Notes Receivable from officers, directors, owners or affiliates, as detailed below:				
	Name of Debtor	Nature of Relationship	Nature of Receivable	Amount	Terms
2.	NONE				
3.					
4.					
5.					
6.					
C.	Donated materials or services received by the reporting entity for the period of the financial statements, as detailed below:				
	Donor's Name	Affiliation with Reporting Entity	Valuation Method	Amount	
7.	NONE				
8.					
9.					
10.					
11.					
D.	Forgiven debt or obligations, as detailed below:				
	Creditor's Name	Affiliation with Reporting Entity	Summary of How Obligation Arose	Amount	
12.	NONE				
13.					
14.					
15.					
E.	Calculation of Tangible Net Equity (TNE) and Required TNE in accordance with Section 1300.76 of the Rules:				
16.	Net Equity			\$	11,273,221
17.	Add: Subordinated Debt			\$	0
18.	Less: Receivables from officers, directors, and affiliates			\$	0
19.	Intangibles			\$	5,448,306
20.	Tangible Net Equity (TNE)			\$	5,824,915
21.	Required Tangible Net Equity (See Page 22)			\$	50,000
22.	TNE Excess (Deficiency)			\$	5,774,915
F.	Percentage of administrative costs to revenue obtained from subscribers and enrollees:				
23.	Revenue from subscribers and enrollees			\$	5,314,107
24.	Administrative Costs			\$	783,223
25.	Percentage				14.74 %
26.	The amount of health care expenses incurred during the six month period immediately preceding the date of the report which were or will be paid to noncontracting providers or directly reimbursed to subscribers and enrollees:			\$	10,000
27.	Total costs for health care services for the immediately preceding six months:			\$	7,965,764
28.	Percentage				0.00 %

		1
G. If the amount of health care expenses incurred during the six month period immediately preceding the date of the report which <u>were or will be</u> paid to noncontracting providers or directly reimbursed to subscribers and enrollees exceeds 10% of the total costs for health care services for the immediately preceding six months, the following information, determined as of the date of the reports, shall be provided:		
29. Amount of all claims for noncontracting provider services received for reimbursement but not yet processed:	\$	N/A
30. Amount of all claims for noncontracting provider services denied for reimbursement during the previous 45 days:	\$	N/A
31. Amount of all claims for noncontracting provider services approved for reimbursement but not yet paid:	\$	N/A
32. An estimate of the amount of claims for noncontracting provider services incurred, but not reported:	\$	N/A
33. Compliance with Section 1377(a) as determined in accordance with such section, as follows:		
34. Cash & cash equivalents maintained	\$	N/A
35. Noncontracting provider claims (aggregate of total of items 29 - 32 above)	\$	N/A
36. Cash & cash equivalents reported to be maintained (120% x Line 34)	\$	N/A
37. Deposit required (100% of Line 36)	\$	N/A
38. Excess (deficient) reserves (Line 34 - Line 37)	\$	N/A
Percentage of premium revenue earned from point-of-service plan contracts:		
39. Premium revenue earned from point-of-service plan contracts	\$	0
40. Total premium revenue earned	\$	530,759
41. Percentage		0.00 %
Percentage of total health care expenditures incurred for enrollees for out-of-network services for point-of-service enrollees:		
42. Health care expenditures for out-of-network services for point-of-service enrollees	\$	0
43. Total health care expenditures	\$	4,048,290
44. Percentage		0.00 %
45. Point-of-Service Enrollment at end of period		0
Total Ambulatory encounters for period for point-of-service enrollees:		
46. Physician		0
47. Non-Physician		0
48. Total		0
49. Total Patient Days Incurred for Point-of-Service enrollees		0
50. Annualized Hospital Days/1000 for Point-of-Service enrollees		0.00
51. Average Length of Stay for Point of Service enrollees		0.00
52. Compliance with Section 1374.68(a) as follows:		
53. Current Monthly Claims Payable for out-of-network coverage or services provided under Point-of-Service Contracts:	\$	0
54. Current monthly incurred but not reported claims balance for out-of-network coverage or services provided under Point-of-Service contracts	\$	0
55. Total	\$	0
56. Total times 120%	\$	0
57. Deposit (Greater of Line 4 or minimum of \$200,000)	\$	0

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

REQUIRED TANGIBLE NET EQUITY (TNE) CALCULATION:
TNE required must be equal to the GREATER of "A" "B" or "C" below (See Rule 1300.76)

	Full Service Plans		Specialized Plans	
		1		2
A. Minimum TNE Requirement	\$	1,000,000	Minimum TNE Requirement	\$ 50,000
B. REVENUES:				
1. 2% of the first \$150 million of annualized premium revenues	\$		2% of the first \$7.5 million of annualized premium revenue	\$ 12,267
Plus			Plus	
2. 1% of annualized premium revenues in excess of \$150 million	\$		1% of annualized premium revenue in excess of \$7.5 million	\$ 0
3. Total	\$		Total	\$ 12,267
C. HEALTHCARE EXPENDITURES:				
4. 8% of the first \$150 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$		8% of the first \$7.5 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$ 0
Plus			Plus	
5. 4% of annualized health care expenditures in excess of \$150 million except those paid on a capitated or managed hospital payment basis.	\$		4% of annualized health care expenditures in excess of \$7.5 million except those paid on a capitated or managed hospital payment basis.	\$ 0
Plus			Plus	
6. 4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$		4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$ 0
7. Total	\$		Total	\$ 0
8. Required "TNE" - Greater of "A" "B" or "C"	\$		Required "TNE" - Greater of "A" "B" or "C"	\$ 50,000

KNOX -KEENE
SUPPLEMENTAL INFORMATION
PURSUANT TO SECTIONS 1374.64

POINT OF SERVICE "ADJUSTED" TANGIBLE NET EQUITY CALCULATION

Calculation of Tangible Net Equity and required Tangible Net Equity in accordance with Section 1374.64:

		1
1. Net Equity	\$	11,273,221
2. Add: Subordinated Debt	\$	0
3. Less: Receivables from officers, directors, and affiliates	\$	0
4. Intangibles	\$	5,448,306
5. Tangible Net Equity (TNE)	\$	5,824,915
6. Required Tangible Net Equity (From Line 18 below)	\$	65,000
7. TNE Excess (Deficiency)	\$	5,759,915
ADJUSTED REQUIRED MINIMUM TANGIBLE NET EQUITY CALCULATION:		
I. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(1) or (2):		
8. Minimum TNE as calculated under Rule 1300.76 (a)(1) or (2)	\$	50,000
9. 10% of annualized health care expenditures for out-of-network service for point-of-service enrollees	\$	0
10. Add lines 8 and 9	\$	50,000
11. Multiply line 10 by 130% ADJUSTED REQUIRED MINIMUM TNE	\$	65,000
II. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(3):		
PART A		
12. Minimum TNE as recalculated to exclude annualized healthcare expenditures for out-of-network services for point-of-service enrollees (attach worksheet Page 24)	\$	N/A
13. 10% of annualized health care expenditures for out-of-network services for point-of-service enrollees	\$	N/A
14. Add lines 12 and 13	\$	N/A
15. Multiply line 14 by 130%	\$	N/A
PART B		
16. Unadjusted minimum TNE as calculated under Rule 1300.76 (a)(3)	\$	N/A
17. Multiply line 16 by 130%	\$	N/A
18. Greater of Part II, Lines 15 or 17 ADJUSTED REQUIRED MINIMUM TNE (To Line 6 above)	\$	N/A

STATEMENT AS OF 3-31-2002 OF 933-0215 ConsumerHealth, Inc. dba Newport Dental

WORKSHEET FOR ADJUSTED TANGIBLE NET EQUITY CALCULATION

	1 Full Service Plans	2 Specialized Plans
1. Health care expenditures for period	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>
Less:		
2. Capitated or managed hospital payment basis expenditures	<input type="text"/>	<input type="text" value="N/A"/>
3. Health care expenditures for out-of-network services for point-of-service enrollees	<input type="text"/>	<input type="text" value="N/A"/>
4. Result	<input type="text"/>	<input type="text" value="N/A"/>
5. Annualized	<input type="text"/>	<input type="text" value="N/A"/>
6. Reduce to maximum of \$150 million	<input type="text"/>	<input type="text" value="N/A"/>
7. Multiply by 8%	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>
Plus		
8. Annualized health care expenditures except those paid on a capitated or managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>
9. Less \$150 million	<input type="text"/>	<input type="text" value="N/A"/>
10. Multiply by 4%	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>
Plus		
11. Annualized hospital expenditures paid on a managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>
12. Multiply by 4%	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>
13. Total	\$ <input type="text"/>	\$ <input type="text" value="N/A"/>